

March 17, 1992

LB 470, 1259

banking system that will reflect...

PRESIDENT MOUL: Time.

SENATOR SCHMIT: ...the needs of the state and the recognition that all areas of the state are somewhat equal. Thank you very much.

PRESIDENT MOUL: Thank you, Senator Schmit. Senator Kristensen.

SENATOR KRISTENSEN: Thank you, Madam President, members of the Legislature. Senator Landis, I know that you're in discussion there, as you walk back, it's sort of a lovefest for the bill this morning. And it's amazing, maybe that is somewhat indicative of the post tax era at this point. I assume that that will change at some point in time. And not meaning to be the one that would ever do that, but I do have, I guess, one, words of caution, and, two, a comment that I would like to have. Certainly, at least in my opinion, the most pressing thing that needs to be done in banking this year is the closing of the so called Walthill loophole. I'm not sure I know why it got to be Walthill, that was the easiest term to call it, and I don't know how many of the members understand what that problem is. I think your description has been fair and accurate. I introduced LB 1259 which I think closes that loophole and does nothing else, does not open up unlimited branch banking in the other communities. LB 470, as it started out, dealing with some of the Norwest issues, I'm not sure I have a problem with that either. But found that the only thing we really needed to do this year was 1259. I'd be interested in your comments, Senator Landis, of why we need to do the other things. I assume that there is a general consensus in the body to adopt the amendment, to move it on. I think Senator Schmit did make some accurate observations that it's difficult to ever get all the banks together. However, if we are going to go down this road, I think a word of caution and the body needs to know that there is...the most pressing thing, at least in my mind and I would hope in the mind of many, is to close Walthill's...the loophole problem, so we don't have federal intervention or federal order that would open up the entire state to branch banking, unless this body wanted to do so. Could you give me the rationale about why we need to do the other things.

SENATOR LANDIS: Sure. When you have the Arabs and the Israeli's of bank structure issue sitting in the same room, you